

**MINUTES OF THE PENSIONS COMMITTEE  
TUESDAY, 4 DECEMBER 2007**

Councillors Rahman Khan (Chair), Mallett (Vice-Chair), Adje, Butcher and Wilson

Apologies Councillors Beacham and Basu

<b>MINUTE NO.</b>	<b>SUBJECT/DECISION</b>	<b>ACTION BY</b>
<b>PRPP20.</b>	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence were received from Councillors Beacham and Basu.</p>	
<b>PRPP21.</b>	<p><b>URGENT BUSINESS:</b></p> <p>There was no urgent business.</p>	
<b>PRPP22.</b>	<p><b>DECLARATIONS OF INTERESTS:</b></p> <p>Councillor Rahman Khan declared a personal interest in respect of his membership of the Haringey Pension Scheme. He also declared a personal interest in respect of his attendance for improving his required skills for the benefit of discharge of council duties at various forums/ trainings/ conferences, including the LGC where some of the fund Managers or agencies were sponsors.</p> <p>Councillor Mallett declared a personal interest in respect of her membership of the Haringey Pension Scheme. She also declared a personal interest in respect of her attendance at a training course facilitated by pension fund managers.</p> <p>Councillor Wilson declared a personal interest in respect of his employment at the Association of British Insurers.</p>	
<b>PRPP23.</b>	<p><b>MINUTES:</b></p> <p>The unrestricted minutes of the meeting held on 10 September were agreed and signed by the Chair.</p> <p>The minutes of the meeting held on 25 October were agreed and signed by the Chair subject to the following amendments:</p> <p>To add at beginning of minute: "Also present at meeting: Roger Melling and Howard Jones", and also additions of Cllr Khan's declaration stating that he had personal interests also, in respect of his attendance at the LGC Conferences, where some of the councils, fund managers were sponsors.</p>	
<b>PRPP24.</b>	<p><b>LAPFF PRESENTATION - BENEFITS OF MEMBERSHIP:</b></p>	

**MINUTES OF THE PENSIONS COMMITTEE  
TUESDAY, 4 DECEMBER 2007**

	<p>Keith Bray of the Local Authority Pension Fund Forum (LAPFF) gave a presentation to the Committee outlining the background to LAPFF and its work in respect of shareholder activism. Mr Bray also outlined the structure of LAPFF and the benefits of membership to improved effectiveness, and value for money and summed up his presentation by stating that LAPFF enabled its members to act together, to achieve more.</p> <p>The Committee put a number of questions to Mr Bray in respect of quantifying the benefits of membership and justifying the cost of joining the forum. Mr Bray explained that membership of LAPFF had numerous benefits but that quantifying membership was difficult save to say that the costs could be met by savings in not having to pay for advise and research directly from fund managers.</p> <p>The Chair thanked Mr Bray for his presentation.</p>	
<p><b>PRPP25.</b></p>	<p><b>LAPFF MEMBERSHIP:</b></p> <p><i>The Chair varied the order of the agenda to take item 7 at this stage of proceedings.</i></p> <p>Gerald Almeroth, Chief Finance Officer, outlined the main benefits of joining LAPFF which went someway towards redressing the shortfall on engagement activity and was a useful tool in sharing ideas with other local authorities. Mr Almeroth also informed the Committee that the cost of membership to LAPFF was modest and therefore value for money. The Committee was advised that a one-year membership was only fractionally more expensive than signing up for three years and would also allow for a review after the first year's membership.</p> <p><b>RESOLVED</b></p> <ul style="list-style-type: none"> <li>(i) That the Committee agree to join LAPFF for a one-year period</li> <li>(ii) That the Committee agree to review membership of LAPFF after one year.</li> </ul>	
<p><b>PRPP26.</b></p>	<p><b>ATTENDANCE OF FUND MANAGERS:</b></p> <p>Fund Managers from Capital and Bernstein addressed the Committee, being given 15 minutes each for presentations and then for taking questions from Members.</p> <p><b>CAPITAL</b></p> <p>Fund performance for the global equities mandate was 0.44% above benchmark, and 0.05% below target in the quarter to 30 September 2007. Fund performance for the fixed income bonds mandate was 1.03% below benchmark and 1.28% below target.</p>	

**MINUTES OF THE PENSIONS COMMITTEE  
TUESDAY, 4 DECEMBER 2007**

	<p>Capital explained reasons for current performance and answered questions from trustees.</p> <p>Capital informed the Committee that reporting on the UN Principles and Sri would feature in its subsequent updates.</p> <p><b>BERNSTEIN</b></p> <p>Fund performance for the UK mandate was 1.26% below benchmark, and 1.72% below target in the quarter to 30 September 2007. Fund performance for the Global mandate was 2.73% below benchmark, and 3.48% below target.</p> <p>Bernstein explained reasons for current performance and answered questions from trustees.</p> <p>Bernstein informed the Committee that it was confident in its SRI.</p> <p><b>FIDELITY</b></p> <p>There was no attendance from Fidelity who were expected to attend.</p> <p><b>RESOLVED</b></p> <p>That it be noted that the fund managers who attended, in their deliberations gave assurances in exercising their best professional care and expertise, and in accordance with SRI in managing the Haringey Council Pension Fund.</p>	
<p><b>PRPP27.</b></p>	<p><b>FUND PERFORMANCE UPDATE:</b></p> <p>The Committee was given an update on the latest performance data for the Pension Fund and for each of the Fund's investment managers and was informed that the combined Haringey fund had increased in absolute terms by 3.73% in the six months to 30 September 2007; under performed the gross benchmark by 0.30%; and under performed the gross target by 1.12%. The Committee was also briefly advised of the prospect for the next quarter in respect of market performance.</p> <p>The Chair asked our officers, whether in their periodical meeting on 15.11.07, in discussions with the entire fund managers, was there any issues discussed, which remained unresolved. In reply our officers confirmed that there were no un-resolved issues to report to this meeting.</p> <p>The Chair also asked our officers to report in the next Fund Performance report where the referred cash for £18 million in point no- 11.1 kept invested and what was the output.</p> <p>The Committee was also asked to consider a half-day trustee training evening in January 2008 and was given details of a three-day training session organised by Local Government Employees.</p>	

**MINUTES OF THE PENSIONS COMMITTEE  
TUESDAY, 4 DECEMBER 2007**

	<p><b>RESOLVED</b></p> <ul style="list-style-type: none"> <li>(i) That the Fund Performance position as at end of September 2007 be noted</li> <li>(ii) That the budget monitoring position to end of October 2007 (period 7) be noted.</li> <li>(iii) That a half-day trustee training session be arranged by liaison between the Committee Secretary and the Head of Finance-Budgeting, Projects and Treasury.</li> <li>(iv) Henceforth the position of the referred cash of point 11.1 to be reported at the meeting; and</li> <li>(v) that it be also noted that in the last meeting of our officers with the fund managers there were no un-resolved issues.</li> </ul>	
<p><b>PRPP28.</b></p>	<p><b>FUND ADMINISTRATION UPDATE:</b></p> <p>The Committee considered the regulatory changes affecting the administration of the Local Government Pension Scheme together with relevant issues covered in circulars issued by the Local government Pensions Committee and Communities and Local Government. The Committee was informed of the likely impact upon the Council's Pension Fund including affects on early retirement funds, and the need to communicate any new changes to retirees.</p> <p>The chair reported to the committee that he attended the last "Employers Training Fundamentals 2007-Programme Day-2 from where it appeared that all funds would require to have a detailed policy statements on communications, detailing all the choices and changes, hence the communications Policy statements, as referred to at the report, approved by the former Pensions Panel would require urgent review.</p> <p><b>RESOLVED</b></p> <ul style="list-style-type: none"> <li>(1) That the administration update be noted.</li> <li>(2) That the Communications strategy, covering all the changes and choices to be urgently reviewed &amp; reported to this committee.</li> </ul>	
<p><b>PRPP29.</b></p>	<p><b>ANY UNRESTRICTED ITEMS OF URGENT BUSINESS:</b></p> <p>None.</p>	
<p><b>PRPP30.</b></p>	<p><b>DATES OF FUTURE MEETINGS:</b></p> <p><b>RESOLVED</b></p> <p>That the following dates be noted:</p> <ul style="list-style-type: none"> <li>• 29 January 2008, 7pm, Civic Centre (this is a rescheduled date)</li> <li>• 13 March 2008, 7pm, Civic Centre</li> </ul>	

**MINUTES OF THE PENSIONS COMMITTEE  
TUESDAY, 4 DECEMBER 2007**

<b>PRPP31.</b>	<b>EXCLUSION OF PUBLIC AND PRESS:</b>  <b>RESOLVED</b>  That the press and public be excluded.	
<b>PRPP32.</b>	<b>EXEMPT MINUTES:</b>  <b>RESOLVED</b>  That the exempt minutes of 10 September 2007 be agreed and signed by the Chair.	
<b>PRPP33.</b>	<b>ANY EXEMPT ITEMS OF URGENT BUSINESS:</b>  None.  <i>The meeting finished at 9:20pm</i>	

**Councillor Gmmh RAHMAN KHAN**  
Chair, Pensions Committee 2007/8

**Date:**